

targets for the statewide funding and make recommendations to the Governor for strategic expenditures.

- C. *Describe how any waivers or workflex authority (both existing and planned) will assist the State in developing its workforce investment system. (§§189(i)(1), 189 (i)(4)(A), and 192).)*

California would like to request a continuation of the following waivers through PY 2005:

*Continuation of California's waiver of WIA Section 122 (c)*

California is submitting a request for the continuation of the State's waiver of WIA Section 122 (c) through PY 2005. The State plans to implement performance requirements for eligible training providers in PY 2006. During PY 2005, the State will work to address the problems and challenges of implementing the existing policy in California. A primary goal is to increase the availability of training and the accountability of training providers. California will work closely with the DOL to identify a strategy for implementing the ETPL policy, if WIA reauthorization does not change the options available to the Governor.

The following ETPL issues are limiting customer choice and the use of ITAs. California will use the waiver period in PY 2005 to address these issues:

- Determine a method to obtain consistent and reliable performance information from private post-secondary training providers;
- Assure that there are equitable performance requirements across the State; and
- Standardize the definition of an individual completing a program to assure that the clients in the performance cohort are comparable.

California will request assistance from the DOL in relating the ETPL to the differing procurement rules established by local governments across the State. California's goal is to use existing administrative data systems to provide training program data, to use Common Performance Measures as a tool for comparable data, and to use a workgroup of partners as a vehicle for discussion of issues and formulation of policy recommendations that will then be presented to the State Board. State staff will work closely with DOL Region VI to allow for monitoring of the State's progress toward the goal of a comprehensive training provider list that provides quality performance information allowing for customer choice and reliable, successful training services.

*Continuation of the Waiver on the Prohibition on use of Youth WIA dollars to fund ITAs for Older Youth*

California is submitting a request for an extension of its waiver of 20 CFR (664.510) that permits ITAs for youth only if they are determined eligible for and are co-enrolled as an Adult or Dislocated Worker. The State still believes that this waiver will maximize the service delivery capacity of WIA Youth programs within the One-Stop Career Centers by allowing youth who are determined not to follow an academic track, and are instead focused on employment, to have the same access as adults and

dislocated workers to the advantages of ITAs. The co-enrollment of youth as currently required in WIA is a duplicative and bureaucratic process, and does not allow some of those expenditures to be appropriately counted toward the 30 percent out-of-school expenditure requirement.

*D. Performance Management and Accountability. Improved performance and accountability for customer-focused results are central features of WIA. To improve, states need not only systems in place to collect data and track performance, but also systems to analyze the information and modify strategies to improve performance. (See Training and Employment Guidance Letter (TEGL) 15-03, Common Measures Policy, December 10, 2003.) In this section, describe how the State measures the success of its strategies in achieving its goals, and how the State uses this data to continuously improve the system.*

- 1. Describe the State's performance accountability system, including any state-system measures and the state's performance goals established with local areas. Identify the performance indicators and goals the state has established to track its progress toward meeting its strategic goals and implementing its vision for the Workforce Investment system. For each of the core indicators, explain how the State worked with local boards to determine the level of the performance goals. Include a discussion of how the levels compare with the state's previous outcomes as well as with the State-adjusted levels of performance established for other states (if available), taking into account differences in economic conditions, the characteristics of participants when they entered the program and the services provided. Include a description of how the levels will help the State achieve continuous improvement over the two years of the plan.*

California is striving to create a flexible, demand-driven employment and training system that is fully accountable at the State and federal levels. Both State-level initiatives and the local systems are focused on understanding and meeting the needs of employers. By working with job seeker customers to define service plans that prepare them for demand occupations and provide work readiness skills that enable them to excel in California's adaptive labor market, the workforce system will assure that workers get jobs, retain jobs, and advance in those jobs. That service strategy will support the success of workers with barriers to employment as well as dislocated workers that need assistance in translating their skills to new occupations. The State performance levels are established to assure accountability while supporting the Governor's desire to assure that California's employment and training system is open to adults and youth with special needs and barriers to employment.

In setting California's performance targets, staff considered labor market conditions, past performance, the demographics of the State's client population, the Secretary of Labor's Government Performance and Results Act (GPRA) goals, and the circumstances in California relative to other States. The Governor's goals reflect an expectation of improved performance and an effort to support the Secretary of Labor in achieving the GPRA goals.

Some goals, however, for all client groups are lower than the Secretary's GPRA expectations. This reflects California's higher than average unemployment rates